(ii) the group consists of companies which are residents in, and are carrying on business in, at least five countries, and the business carried on in each of the five countries generates at least 5 per cent of the gross income of the group;

(iii) the business carried on in any one country other than that Contracting State generate less than 50 per cent of the gross income of the group;

(iv) no more than 50 per cent of its gross income is derived from the other Contracting State;

(v) that resident has, and exercises, independent discretionary authority to carry out the functions referred to in clause (i); and

(vi) that resident is subject to the same income taxation rules in that Contracting State as persons described in paragraph 5.

(c) For the purposes of subparagraph (b), a resident of a Contracting State shall be deemed to satisfy the gross income requirements described in clause (ii), (iii) or (iv) of that subparagraph for the taxable period in which the item of income is derived if that resident satisfies each of those gross income requirements when averaging the gross income of the three taxable periods preceding that taxable period.

7. A resident of a Contracting State that is neither a qualified person nor entitled under paragraph 3, 5 or 6 to a benefit granted by the provisions of paragraph 3 of Article 10, paragraph 3 of Article 11 or paragraph 1 of Article 12 shall nevertheless be entitled to such benefits if the competent authority of the other Contracting State determines, in accordance with its domestic law or administrative practice, that the establishment, acquisition or maintenance of such resident and the conduct of its operations did not have the obtaining of such benefits as one of the principal purposes.

8. For the purposes of this Article:

(a) the term "principal class of shares" means the class or classes of shares of a company which represent a majority of the voting power of the company;

(b) the term "recognised stock exchange" means:

(i) any stock exchange established under the terms of the Financial Instruments and Exchange Law (Law No. 25 of 1948) of Japan;

(ii) any regulated market pursuant to the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (as amended) or any successor Directive;

(iii) Hong Kong Exchanges and Clearing, the NASDAQ System, the New York Stock Exchange, Singapore Exchange, SIX Swiss Exchange and the Taiwan Stock Exchange; and

(iv) any other stock exchange which the competent authorities of the Contracting States agree to recognise for the purposes of this Article;

(c) the term "equivalent beneficiary" means any person who would be entitled to a benefit, with respect to the item of income in respect of which the benefit of this Convention is claimed to a Contracting State, granted by that Contracting State under the law of that Contracting State, this Convention or any other international instrument, provided that such benefit is equivalent to the benefit to be granted to that item of income under the Convention;

(d) the term "gross income" means the total revenues derived by an enterprise from its business, less the direct costs of obtaining such revenues.

9. Notwithstanding the other provisions of this Convention, a benefit under the Convention shall not be granted in respect of an item of income if it is reasonable to conclude, having regard to all relevant facts and circumstances, that obtaining that benefit was one of the principal purposes of any arrangement or transaction that resulted directly or indirectly in that benefit, unless it is established that granting that benefit in these circumstances would be in accordance with the object and purpose of the relevant provisions of the Convention.